



CITY OF
HAYWARD
HEART OF THE BAY

Update on Status of Redevelopment Agency Budget

Council Meeting
March 1, 2011



Council Direction – February 22, 2011

The Council/Board provided staff with direction to pursue the following options (in order of priority):

1. Land transfer – evaluation of whether this can be done without consideration as repayment.
2. Securitization – develop bond documents to securitize loans with the General Fund, the Sewer Fund and the Water Fund (and possibly Low-Mod Housing Fund)
3. Reduce loan balances – assess prudence of applying existing fund balance toward outstanding loans



Recommended Course of Action

1. Adjust the RDA and Low-Mod operating budgets to accommodate expenses anticipated through the remainder of the fiscal year.
2. Transfer all RDA-owned properties to the City.
3. Do not proceed with the securitization of the loans with the General, Sewer, Water and Low-Mod Housing Funds.
4. Use remaining RDA TI fund balance to pay off existing Water and Sewer Fund loans and to allow partial back payment of prior year installments of General Fund loan.
5. Approve a loan from the Water and Sewer Funds to the General Fund to be set aside in a reserve to assist in the organization's transition if and when the State eliminates the Redevelopment Agency.



RDA Operating Budget Adjustments

1. Cinema Place Environmental Work
2. SR238 Settlement Administration and Legal Costs
3. Other Minor Housekeeping Items
 - First Time Homebuyer
 - Townsend Agreement



Property Transfers

- 23 Parcels owned by RDA for a variety of purposes
- Further research of State law provides broad discretion for cities to dispose of land
- Analysis suggests that City can continue negotiating with existing developers on B & Grand and Residual Burbank projects
- Ongoing maintenance concerns
- Environmental concerns



Repayment of Outstanding RDA Loans and Issuance of Bonds

1. Do not proceed with the securitization of the loans with the General, Sewer, Water and Low-Mod Housing Funds.
2. Use remaining RDA TI fund balance to pay off existing Water and Sewer Fund loans and to allow partial back payment of prior year installments of General Fund loan.
3. Approve a loan from the Water and Sewer Funds to the General Fund to be set aside in a reserve to assist in the organization's transition if and when the State eliminates the Redevelopment Agency.

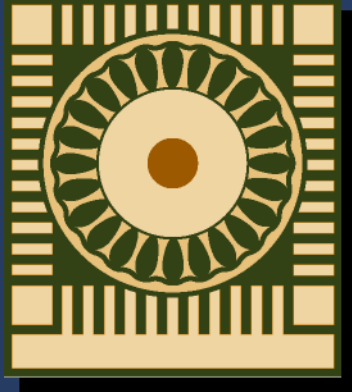


Next Steps

Tonight – Council discussion of staff proposal

Wednesday, March 2 – Special Council meeting to take action on proposal





Questions/Discussion

